

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

AMERICAN INTERNATIONAL  
GROUP, INC., *et al.*,

Plaintiffs,

v.

ACE INA HOLDINGS, INC., *et al.*,

Defendants.

LIBERTY MUTUAL INSURANCE  
COMPANY, *et al.*,

Counter-Claimants,

AMERICAN INTERNATIONAL  
GROUP, INC., *et al.*,

Counter-Defendants.

SAFECO INSURANCE COMPANY OF  
AMERICA and OHIO CASUALTY  
INSURANCE COMPANY, individually, and on  
behalf of a class consisting of members of the  
National Workers Compensation Reinsurance  
Pool,

Plaintiff,

v.

AMERICAN INTERNATIONAL GROUP, INC.,  
*et al.*,

Defendants.

Case No. 07 CV 2898

Judge Robert W. Gettleman

Magistrate Judge Sidney I. Schenkier

✓ Case No. 09 CV 2026

Judge Robert W. Gettleman

Magistrate Judge Sidney I. Schenkier

**AGREED SCHEDULING ORDER ON AIG'S STATISTICAL SAMPLING  
OF THE HARTFORD, TRAVELERS, ACE, AND SENTRY**

1. AIG shall provide each Defendant with a proposed pilot sample methodology (a "Pilot Methodology") for that Defendant on or before July 26, 2010.

2. Each Defendant shall have 10 days from the time it receives a proposed Pilot Methodology from AIG to submit any comments on the proposed Pilot Methodology to Dr. Kadane and AIG.

3. Within 7 days of receiving a Defendant's comments on a proposed Pilot Methodology (or as soon thereafter as Dr. Kadane deems feasible and appropriate in light of his dialogue with the parties), Dr. Kadane will review and approve the proposed Pilot Methodology, making such modifications as he deems appropriate.

4. As soon as practicable after a Pilot Methodology is approved, Dr. Kadane shall randomly select the files to be included in the pilot sample using consecutively numbered lists of accounts compiled by AIG from the data files produced by the Defendant being sampled. AIG shall provide the list to Dr. Kadane and the Defendant simultaneously, and the Defendant shall have an opportunity to inspect it.

5. As soon as practicable but, in no event later than 14 days after Dr. Kadane makes his selections for a pilot sample, the Defendant shall begin a rolling production of the selected files, with such production to be completed no later than 45 days after Dr. Kadane makes the selections.

6. AIG shall present its conclusions regarding a pilot sample to Dr. Kadane and the Defendant being sampled within 21 days of receiving the complete production of sampled files. The Defendant shall serve a written response to AIG's conclusions regarding the pilot sample within 7 days of receiving AIG's conclusions.

7. AIG shall provide each Defendant with a proposed statistical sampling methodology (a "Full Methodology") to guide the production of files from that Defendant on or before November 8, 2010. Each defendant shall provide AIG and Dr. Kadane with its objections and/or suggestions for modifications to a proposed Full Methodology within 10 days of receiving it.

8. Within 10 days of receiving a Defendant's objections and/or suggestions on a proposed Full Methodology (or as soon thereafter as Dr. Kadane deems feasible and appropriate in light of his dialogue with the parties), Dr. Kadane will review the proposed Full Methodology, pose clarifying questions if needed, and provide the parties and the court with his recommendation as to the sampling methodology that should be employed. In making that recommendation, Dr. Kadane is not bound by the proposals of the parties. The interested parties shall file any comments or objections to Dr. Kadane's recommended sampling methodology within 10 days of receiving it.

9. As soon as practicable after a Full Methodology is approved, Dr. Kadane shall randomly select the files to be included in the statistical sample using consecutively numbered lists of accounts compiled by AIG from the data files produced by the Defendant being sampled. AIG shall provide the list to Dr. Kadane and the Defendant simultaneously, and the Defendant shall have an opportunity to inspect it.

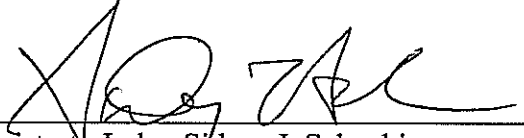
10. As soon as practicable but, in no event later than 14 days after Dr. Kadane makes his selection from each list, the Defendant shall begin a rolling production of the selected files.

11. The production of the selected files shall be completed within 60 days of the date Dr. Kadane makes his selections.

12. As provided in the Court's Order of June 25, 2010, at the next scheduled status conference after August 5, 2010, the Court will discuss with the parties an appropriate procedure for addressing any objections and entering an order adopting a sampling methodology. The deadline of March 15, 2011 for completion of all fact discovery remains in effect. The Court shall be given regular monthly updates on the status of the approval by Dr. Kadane of sampling methodologies, the timeliness of the production of policy and underwriting files by the party whose files are being sampled, and any other issues on which the Court can assist the parties in order to expedite the completion of sampling and related discovery before the March 15, 2011 cut-off.

SO ORDERED:

Date: 07-16-10

  
Magistrate Judge Sidney I. Schenkier  
United States District Court  
Northern District of Illinois